



SwissCham Southern Africa – South Africa Chapter (SCSA-SAC)

(Association Incorporated in terms of Section 21)

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Event Review

SwissCham – Luncheon

19th of October 2011, held at the Fairlawns Hotel,
in Morningside, Sandton

Speaker: Mr. Johannes Musel
CEO, Hitachi Power Africa (Pty) Ltd.

At a luncheon recently held at the Fairlawns Hotel in Morningside / Sandton, SwissCham members had the privilege of being addressed by Johannes Musel, CEO of Hitachi Power Africa (Pty) Ltd. since 2008.

Johannes Musel is a mechanical engineer, who also holds an MBA degree. His experience in the power generation industry spans 27 years and three continents – Africa, the Americas and Europe. He was part of the commissioning team at Eskom's Duvha Power Station for Steinmüller, and as project manager for the same company, he was responsible for the execution of steam generator contracts for the South African utility's Majuba Power Station.

He was appointed Managing Director of Steinmüller to Brasil in 1997, and held executive positions in various subsidiaries of Babcock Borsig Power.

He joined Hitachi Power Europe as Director of Projects in 2002, becoming Senior Vice President for the Steam Generation businesses unit in 2005. He returned to South Africa as Chief Executive Officer of Hitachi Power Africa in January 2008.



Mr. Johannes Musel, CEO of Hitachi Power Africa



Dr. Jürg A. Schalch, SwissCham President

SwissCham President Dr. Jürg A.Schalch welcomed the more than 50 guests who had come to hear Musel's message on the topic:

"The future of power in South Africa".

A special welcome the President extended to HE Mr. Christian Meuwly, Ambassador of Switzerland to South Africa.

After a delicious starter and main course, Juerg Schalch introduced the guest speaker, Mr. Johannes Musel, CEO, Hitachi Power Africa (Pty) Ltd.

Hitachi Power Africa was founded in 2005 as a subsidiary of Hitachi Power Europe, responsible for Africa /SADC region. Their main business activities include conventional power plants such as:

Coal fired EPC power plants, Power train, Utility steam generator, Firing systems, Mills, Ash handling systems, Flue gas cleaning systems, Steam turbines, CCS technology, Combined-cycle power plants and Gas turbines.

Their current projects being the "Medupi" Power Station in Limpopo and the "Kusile" Power Station in Mpumalanga, Musel said.

More than 80% of Eskom's installed capacity is based on coal, and represents the cheapest energy source, yet producing the highest CO₂ emissions, resulting in SA being the 12th largest emitter of CO₂ in the world. Continuous development and new technology lead to a higher efficiency on coal fired power stations, and a reduction of emissions by replacing old stations with new high efficient plants, and/or incorporating renewable energy (hybrid solar or biomass co-firing), or the installation of CCS (carbon capture storage), though a technology that is not yet proven for large scale application.



He further pointed out that SA's GDP growth over the last 16 years was 79%, compared to a power capacity increase of only 16.7%, resulting in, reduced maintenance of power stations, increasing unplanned outages and return to service of old and inefficient power stations.



The Department of Energy released an integrated Resource Plan 2010-2030 that gives an indication about the upcoming technologies for new built power plants, a scenario that will not only include a reduction of CO₂ emissions of 10% by 2020 and 34% by 2030, but also a significant increase of renewable energy sources, such as wind, gas, hydro, biogas, CSP, as well as hybrid solutions.

South Africa has significant resources for a high share of renewable energy, especially for solar, it's Solar Irradiation levels are amongst the best in the world.

As to Nuclear Energy; with “Koeberg” South Africa has got one Generation II nuclear power plant. The development of own nuclear technology failed, when the Government suspended the program in 2010. Eskom failed to negotiate contracts in 2006, due to lack of finance, DoE has taken over responsibility and has submitted a new proposal to the South African Cabinet in September 2011.

What is the right energy source for South Africa in the future? No easy answer can be given, as all energy sources have their strong pros and cons, but surely focus should be within further development of technologies, to achieve highest possible operating efficiency to drive cost, environmental impact and fuel consumption down, and provide affordable electricity for public consumption, to grow the standard of living.

In the long term, however, a continuous increase of renewable energy generation is required in order to minimise the effects on the environment, particularly global warming, but also to preserve resources which are eventually going to end.

To produce affordable electricity and secure reliable supply, while minimising the impact on the environment, will remain a challenge for years to come, Musel concluded.





Daniela Maurer for
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